

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re: THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, as representative of THE COMMONWEALTH OF PUERTO RICO, <i>et al.</i> , Debtors. ¹	PROMESA Title III No. 17 BK 3283-LTS (Jointly Administered)
In re: THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR PUERTO RICO, as representative of THE PUERTO RICO HIGHWAYS AND TRANSPORTATION AUTHORITY, Debtor.	PROMESA Title III No. 17 BK 3567-LTS (Jointly Administered) Re: ECF Nos. 1240, 1318, 1350, 1377²

**NOTICE OF WITHDRAWAL OF THE PUERTO RICO FISCAL AGENCY AND
FINANCIAL ADVISORY AUTHORITY'S LIMITED OBJECTION TO SECTION 2.4 OF
THE THIRD AMENDED TITLE III PLAN OF ADJUSTMENT OF THE PUERTO RICO
HIGHWAYS AND TRANSPORTATION AUTHORITY**

¹ The Debtors in these Title III cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number due to software limitations and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the "Commonwealth") (Bankruptcy Case No. 17-BK-3283 (LTS)) (Last Four Digits of Federal Tax ID: 3481), (ii) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566 (LTS)) (Last Four Digits of Federal Tax ID: 9686), (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567 (LTS)) (Last Four Digits of Federal Tax ID: 3808), (iv) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284 (LTS)) (Last Four Digits of Federal Tax ID: 8474), (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780 (LTS)) (Last Four Digits of Federal Tax ID: 3747), and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523 (LTS)) (Last Four Digits of Federal Tax ID: 3801).

² Unless otherwise specified, ECF numbers refer to the HTA Title III case.

To the Honorable United States District Judge Laura Taylor Swain:

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), through undersigned counsel, hereby withdraws its *Limited Objection to Section 2.4 of the Third Amended Title III Plan of Adjustment of the Puerto Rico Highways and Transportation Authority* [ECF No. 1318] (the “Limited Objection”),³ and states as follows:

1. AAFAF filed its Limited Objection to the *Third Amended Title III Plan of Adjustment of the Puerto Rico Highways and Transportation Authority* (as amended or supplemented, the “Plan”) [ECF No. 1240], which raised three main points: the Plan (i) cannot require HTA to take on certain functions of different government agencies; (ii) cannot require non-debtor governmental agencies to take on functions of HTA; and (iii) should not include provisions that govern operations of a governmental non-debtor that performs vital functions in the transportation sector.

2. This Court has consistently encouraged AAFAF and the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) to work cooperatively within PROMESA’s power sharing framework, thereby minimizing delay and litigation costs and allowing for HTA’s expeditious emergence from Title III. Notwithstanding its Limited Objection, AAFAF strove to resolve its differences with the Oversight Board.

3. On August 12, 2022, AAFAF reached an understanding with the Oversight Board, and settled its Limited Objection (the “Settlement”), including the modifications reflected in the Plan’s latest version filed on August 13, 2022 [ECF No. 1377].

4. Accordingly, AAFAF hereby withdraws the Limited Objection with prejudice and supports the Plan’s confirmation in all respects, subject to the reservation of rights below.

³ Capitalized terms used but not otherwise defined herein have the meaning ascribed to them in the Limited Objection.

RESERVATION OF RIGHTS

5. While AAFAF supports the Plan as an important step towards concluding this Title III Case, it reserves its rights as to any Plan, Plan Supplement, or proposed Confirmation Order provision added or amended hereafter. In addition, AAFAF specifically reserves its right to object to the *Proposed Findings of Fact and Conclusions of Law in Connection with Confirmation of Fourth Amended Title III Plan of Adjustment of the Puerto Rico Highways and Transportation Authority* [ECF No. 1363] and address any potential unresolved issues at the confirmation hearing, if necessary.

CONCLUSION

6. AAFAF believes that the Plan should be confirmed, and ensures the Court that AAFAF will abide by the Court's ultimate decision with respect to all Plan issues and will work collaboratively with the Oversight Board to implement the confirmed Plan.

7. In light of all of the foregoing, AAFAF hereby withdraws its Limited Objection subject to the above described reservation of rights.

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Dated: August 13, 2022
San Juan, Puerto Rico

Respectfully submitted,

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